

ACCESS TO SINKING FUND FOR NEW BEACON GALLERY

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WHAT BENEFITS WILL THESE PROPOSALS BRING TO COPELAND RESIDENTS

In accordance with the Council- and funder-approved Beacon Business plan, a major gallery refit is required during this financial year. Funding for this improvement has been collecting in a sinking fund for this purpose only.

Ensuring that The Beacon displays remain fresh safeguards visitor numbers and income targets and results in additional visitor spend in the local economy.

This report is to request to access that funding and to approve commencement of this project.

WHY HAS THIS REPORT COME TO THE EXECUTIVE?

For permission to access the sinking fund.

RECOMMENDATION:

Members are requested to

- a) approve the use of up to £105,000 from the Beacon Sinking fund and
- b) approve commencement of this project

1. INTRODUCTION

- 1.1 In February 2005, Copeland approved the Beacon Business Plan which set out income and expenditure targets for the first 5 years of operation following the museum's refit.
- 1.2 External grant funders set the condition that all surplus generated during the 5 year plan would be collected in a sinking fund to be used to refit the galleries, ensuring a fresh and changing display, maintaining or increasing visitor levels as there would always be something new to see – without causing an additional cost to the Council.

- 1.3 The Beacon is embarking on its first of three gallery changes. The popular culture gallery is due to open in February 2011.

2. ARGUMENT

- 2.1 Costs to provide the new gallery on the Beacon's second floor will be £105,000 (including 5% contingency).
- 2.2 The sinking fund currently holds in excess of £125,000 which has been collected solely for the purpose of refreshing the galleries. Further funds will be added to the pot during 2010/11 and 2011/12.
- 2.3 The Beacon will use up to a maximum of £105,000 from the sinking fund. Other external grant funds are currently being sought and could reduce the amount used from the sinking fund (e.g Copeland Community Fund, Heritage Lottery Fund). However, there is no guarantee that these applications would be successful.
- 2.4 Due to the timescales involved (gallery opening February 2011), it is important that the project begins promptly and it is not possible to wait for external funding decisions.
- 2.5 The gallery refit delivers the required Business Plan and funder conditions.
- 2.6 The popular culture theme will be appealing to both Copeland residents and visitors, engaging potential new audiences, and creating new community links.

3. OPTIONS TO BE CONSIDERED

- 3.1 The sinking fund can not be used for any other purpose and so there are no other options to be considered.

4. CONCLUSIONS

- 4.1 Following redevelopment in 2007, The Beacon is meeting its targets according to the 5 year business plan.
- 4.2 Creating a new gallery represents an important commitment to the redevelopment funders and can be delivered using existing funds.
- 4.3 Over 71000 visitors to The Beacon last year generated an additional £2M spend in the local economy. Re-investment at this stage supports visitor levels and ongoing regeneration benefits.

5. WHAT ARE THE LEGAL, FINANCIAL AND HUMAN RESOURCES IMPLICATIONS?

- 5.1 Both in-house assessment of costs and external refit quotes have arrived at virtually similar amounts of £103 – 105K.
- 5.2 Sinking fund currently amounts to over £125K.

6. HOW WILL THE PROPOSALS BE PROJECT MANAGED AND HOW ARE THE RISKS GOING TO BE MANAGED?

- 6.1 The sinking fund can only be used to refresh the Beacon galleries in accordance with the Business Plan. Failure to use the monies in this way could involve external funder clawback of grants amounting up to £1.8M.
- 6.2 The project will be delivered in house using proven track record, experience and knowledge from the redevelopment in 2007. Other than the external design company, all services will be procured locally.
- 6.3 Project plans, design schemes and programme are available on request from The Beacon.

7. WHAT MEASURABLE OUTCOMES OR OUTPUTS WILL ARISE FROM THIS REPORT?

- 7.1 New gallery created in time for February half term 2011.
- 7.2 Visitor number figures to match or exceed Business Plan targets.

List of Appendices

List of Background Documents: